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Docket No.: 52-011

ND-10-2080

U.S. Nuclear Regulatory Commission
Document Control Desk
Washington, DC 20555-0001

Southern Nuclear Operating Company
Vogtle Electric Generating Plant Units 3 and 4
Response to a Notice of Violation

Ladies and Gentlemen:

By letter dated October 7, 2010 the U.S. Nuclear Regulatory Commission (NRC) issued NRC Security Baseline Inspection Report 05200011/2010003 and Notice of Violation concerning the security baseline inspection at Vogtle Electric Generation Plant (VEGP), Early Site Permit Site, Units 3 and 4. The NRC baseline examined activities conducted under the project Limited Work Authorization as they relate to the fitness for duty processes.

The inspection report identified one Severity Level IV violation. The Notice of Violation (NOV) cites the violation regarding the failure of the licensee, through its contractor, to complete required self-disclosures and suitability inquiries on a number of contract personnel, which led to contractor work being performed that was not in compliance with 10 CFR 26, Fitness For Duty Programs.

The enclosure to this letter provides the SNC response to this cited violation.

If you have any questions regarding this letter, please contact Mr. James T. Davis at (706) 826-5544.

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NR0

Mr. B. L. Ivey states he is a Vice President of Southern Nuclear Operating Company, is authorized to execute this oath on behalf of Southern Nuclear Operating Company and to the best of his knowledge and belief, the facts set forth in this letter are true.

Respectfully submitted,

SOUTHERN NUCLEAR OPERATING COMPANY



B. L. Ivey

Sworn to and subscribed before me this 3rd day of November, 2010

Notary Public: Nancy Louise Henderson

My commission expires: March 23, 2014

BLI/PCA

Enclosure: Response to Notice of Violation 05200011/2010 003-001



cc: Southern Nuclear Operating Company

Mr. J. H. Miller, III, President and CEO (w/o enclosure)
Mr. J. A. Miller, Executive Vice President, Nuclear Development (w/o enclosure)
Mr. J. T. Gasser, Executive Vice President, Nuclear Operations (w/o enclosure)
Mr. D. H. Jones, Site Vice President, Vogtle 3 & 4 (w/o enclosure)
Mr. T. E. Tynan, Vice President - Vogtle (w/o enclosure)
Mr. M. K. Smith, Technical Support Director (w/o enclosure)
Mr. D. M. Lloyd, Vogtle 3 & 4 Project Support Director (w/o enclosure)
Mr. C. R. Pierce, AP1000 Licensing Manager
Mr. M. J. Ajluni, Nuclear Licensing Manager
Mr. J. D. Williams, Vogtle 3 & 4 Site Support Manager
Mr. J. T. Davis, Vogtle 3 & 4 Site Licensing Supervisor
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Nuclear Regulatory Commission

Mr. L. A. Reyes, Region II Administrator
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Ms. T. E. Simms, Project Manager of New Reactors
Mr. B. C. Anderson, Project Manager of New Reactors
Mr. M. M. Comar, Project Manager of New Reactors
Ms. S. Goetz, Project Manager of New Reactors
Mr. J. M. Sebrösky, Project Manager of New Reactors
Mr. D. C. Habib, Project Manager of New Reactors
Ms. D. L. McGovern, Project Manager of New Reactors
Ms. T. L. Spicher, Project Manager of New Reactors
Ms. M. A. Sutton, Environmental Project Manager
Mr. M. D. Notich, Environmental Project Manager
Mr. L. M. Cain, Senior Resident Inspector of VEGP 1 & 2
Mr. J. D. Fuller, Senior Resident Inspector of VEGP 3 & 4

Georgia Power Company

Mr. T. W. Yelverton, Nuclear Development Director
Ms. A. N. Faulk, Nuclear Regulatory Affairs Manager

Oglethorpe Power Corporation

Mr. M. W. Price, Executive Vice President and Chief Operating Officer
Mr. K. T. Haynes, Director of Contracts and Regulatory Oversight

Municipal Electric Authority of Georgia

Mr. J. E. Fuller, Senior Vice President, Chief Financial Officer
Mr. S. M. Jackson, Vice President, Power Supply

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Mr. R. F. Ziesing, Director, US Licensing, NPP

Mr. S. A. Bradley, Vogtle Project Licensing Manager

NuStart Energy

Mr. R. J. Grumbir

**Southern Nuclear Operating Company
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Enclosure

Response to Notice of Violation 05200011/2010 003-001

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Response to Notice of Violation 05200011/2010 003-001

This enclosure provides Southern Nuclear Operating Company's (SNC's) reply to the Notice of Violation (NOV) submitted to SNC by the U.S. Nuclear Regulatory Commission (NRC) in a letter dated October 7, 2010. The NOV was generated as a result of an NRC inspection, on August 9 through 13, 2010, of the Fitness for Duty (FFD) program, utilized by SNC's Nuclear Development (ND) organization, as well as its contractors. The inspection examined activities conducted under the project's Limited Work Authorization as these relate to access authorization and compliance with the Commission's rules and regulations.

The NOV cites SNC with one Severity Level IV violation regarding the failure of the licensee, through its contractor (Shaw), to complete required self-disclosures and suitability inquiries on a number of contract personnel. This failure led to contractor work being performed that was not in compliance with 10 CFR 26.61 and 10 CFR 26.63.

The violation was identified as NOV 05200011/2010003-01, Failure to Complete Self Disclosures and Suitability Inquiries. SNC's reply to the violation is as follows.

Violation 05200011/2010003-01 states:

10 CFR 26, Section 26.61(a), Self-Disclosure and Employment History requires the licensee to ensure that a written self-disclosure and employment history has been obtained from the individual who is applying for authorization.

10 CFR 26, Section 26.63(a), Suitable Inquiry requires the licensee to ensure that a suitability inquiry has been conducted, on a best effort basis, to verify the individuals self disclosed information and determine whether any potential disqualifying FFD information is available.

Contrary to the above, from February, 2010, until July 1, 2010, the licensee failed to complete self-disclosures and suitability inquiries on approximately 130 contract personnel.

This is a Severity Level IV violation, Section 6.1, (d), 2 of the NRC Enforcement Policy.

Reasons(s) for the violation:

SNC agrees the violation occurred and offers the following discussion regarding the circumstances and corrective actions.

An internal audit performed by The Shaw Group Inc. (Shaw) identified a FFD programmatic inadequacy to 10 CFR 26.61 and 10 CFR 26.63. Self-disclosure and suitability inquiries were not completed on all personnel required to be under the full FFD

program. This resulted in Shaw performing safety-related activities without being in compliance with the requirements of 10 CFR 26.61 and 10 CFR 26.63. This programmatic inadequacy was captured under both SNC ND and Shaw Corrective Action programs. An Event Notification (EN # 46067) was made to the NRC on July 2, 2010 under the provisions of 10 CR 26.719(b)(4) by SNC.

Corrective Steps Already Taken and Results Achieved:

Shaw elected to stop safety-related work activities during the investigation and initiated corrective actions regarding this event.

An Apparent Cause Evaluation was initiated by Shaw to determine the appropriate corrective actions for the condition. While the initial identification was that self-disclosures were not made in some cases, Shaw performed a full review of its program and its sub contractors under the program to ensure that self-disclosure and suitable inquiry had been performed for each employee. Additionally, as part of the corrective actions, Shaw procedures were revised to ensure that regulatory requirements of 10 CFR 26, including 10 CFR 26.61 and 10 CFR 26.63, were addressed. SNC reviewed and approved the revised Shaw procedures.

In addition, prior to the resumption of safety-related work, SNC ND Quality Assurance department performed a Fitness for Duty Audit of Shaw's program to assess the extent of the condition. The audit included requirements of 10 CFR 26.61 and 10 CFR 26.63.

SNC provided restart conditions for Shaw to meet prior to the resumption of safety-related work activities. SNC performed a review of the completed Shaw corrective actions to ensure the restart conditions were met and that the corrective actions were adequate to prevent recurrence.

Corrective Steps That Will Be Taken To Avoid Further Violations:

SNC is satisfied that the comprehensive review that was conducted and the procedure revisions that were made will be sufficient to avoid further violations of this type. Nevertheless, SNC will conduct a follow up Limited Scope Audit of the Shaw program by January 31, 2011 to validate that these corrective steps have been adequate. Also, SNC ND will continue to perform oversight of its contractors to ensure compliance with regulations related to the VEGP Units 3 & 4 Project.

Date When Full Compliance Will Be Achieve:

Safety-related work was allowed to restart on August 17th, 2010 after full compliance with 10 CFR 26.61 and 10 CFR 26.63 was achieved.